

UNITED STATES BANKRUPTCY COURT
SOUTHERN AND WESTERN DISTRICTS OF TEXAS
WESTERN DIVISION

CASE NAME: 905 Cesar Chavez, LLC

PETITION DATE: November 4, 2019

CASE NUMBER: 19-11528-TMD

MONTHLY OPERATING REPORT SUMMARY FOR MONTH

AUGUST YEAR 2020

MONTH	Cumulative to March 2020	April 2020	May 2020	June 2020	July 2020	August 2020	Filing to Date
REVENUES (MOR-6)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INCOME BEFORE INT; DEPREC./TAX (MOR-6)	(8,849.50)	(2,621.50)	(2,621.50)	(2,621.50)	(2,946.50)	(2,621.50)	(22,282.00)
NET INCOME (LOSS) (MOR-6)	(8,849.50)	(2,621.50)	(2,621.50)	(2,621.50)	(2,946.50)	(2,621.50)	(22,282.00)
PAYMENTS TO INSIDERS (MOR-9)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PAYMENTS TO PROFESSIONALS (MOR-9)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL DISBURSEMENTS (MOR-8)	30,752.53	650.00	0.00	0.00	325.00	0.00	31,727.53

The original of this document must be filed with the United States Bankruptcy Court and a copy must be sent to the United States Trustee

REQUIRED INSURANCE MAINTAINED			EXP.
AS OF SIGNATURE DATE*			DATE
CASUALTY	<input type="checkbox"/> YES	<input checked="" type="checkbox"/> NO	
LIABILITY	<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO	05/31/21
VEHICLE	<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO	05/31/21
WORKER'S	<input type="checkbox"/> YES	<input checked="" type="checkbox"/> NO	
OTHER - Umbrella	<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO	05/31/21

CHECK ONE

Are all accounts receivable being collected within terms? ☒ Yes ☐ No

Are all post-petition liabilities, including taxes, being paid within terms? ☒ Yes ☐ No

Have all tax returns and other required government filings been timely paid? ☒ Yes ☐ No

Have any pre-petition liabilities been paid? ☒ Yes ☐ No

If so, describe 2019 Ad Valorem taxes

Are all funds received being deposited into Debtor in Possession bank accounts? ☒ Yes ☐ No

Were any assets disposed of outside the normal course of business? ☐ Yes ☒ No

If so, describe _____

Are all U.S. Trustee Quarterly Fee Payments current? ☒ Yes ☐ No

What is the status of your Plan of Reorganization? Plan has been filed and is currently pending.

ATTORNEY NAME: Morris D. Weiss
FIRM NAME: Waller Lansden Dortch & Davis LLP
ADDRESS: 100 Congress Ave., 18th Floor
CITY, STATE, ZIP: Austin, TX 78701
TELEPHONE/FAX: 512-685-6400/512-685-6417
morris.weiss@wallerlaw.com

INITIALS _____
DATE _____
UST USE ONLY

I certify under penalty of perjury that the following complete Monthly Operating Report (MOR), consisting of MOR-1 through MOR-9 plus attachments, is true and correct.

SIGNED Natin Paul TITLE: President of Manager of Debtor

(ORIGINAL SIGNATURE)

Natin Paul

(PRINT NAME OF SIGNATORY)

MOR-1

CASE NAME: 905 Cesar Chavez, LLC

CASE NUMBER: 19-11528-TMD

COMPARATIVE BALANCE SHEETS

ASSETS	FILING DATE*	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH
	11/4/2019	March 2020	April 2020	May 2020	June 2020	July 2020	August 2020
CURRENT ASSETS							
Cash	0.00	0.00	0.00	274.87	274.87	274.87	274.87
Accounts Receivable, Net							
Inventory: Lower of Cost or Market							
Prepaid Expenses							
Investments							
Other - Retainer Waller Lansden	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00
Other - Escrow - Insurance & Property Taxes (1)		0.00	0.00	0.00	0.00	0.00	0.00
TOTAL CURRENT ASSETS	25,000.00	25,000.00	25,000.00	25,274.87	25,274.87	25,274.87	25,274.87
PROPERTY, PLANT & EQUIP. @ COST	1,474,421.00	1,474,421.00	1,474,421.00	1,474,421.00	1,474,421.00	1,474,421.00	1,474,421.00
Less Accumulated Depreciation							
NET BOOK VALUE OF PP & E	1,474,421.00	1,474,421.00	1,474,421.00	1,474,421.00	1,474,421.00	1,474,421.00	1,474,421.00
OTHER ASSETS							
1. Tax Deposits							
2. Investments in Subsidiaries							
3.							
4.							
TOTAL ASSETS	\$1,499,421.00	\$1,499,421.00	\$1,499,421.00	\$1,499,695.87	\$1,499,695.87	\$1,499,695.87	\$1,499,695.87

MOR-2

* Per Schedules and Statement of Financial Affairs

Revised 11/08/05

(1) See Endnote titled "Escrow Deposit"

CASE NAME: 905 Cesar Chavez, LLC

CASE NUMBER: 19-11528-TMD

COMPARATIVE BALANCE SHEETS

LIABILITIES & OWNER'S	FILING DATE* AMENDED	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH
EQUITY	11/4/2019	March 2020	April 2020	May 2020	June 2020	July 2020	August 2020
LIABILITIES							
POST-PETITION LIABILITIES(MOR-4)		8,524.50	10,496.00	13,117.50	15,739.00	18,360.50	20,982.00
PRE-PETITION LIABILITIES							
Notes Payable - Secured (see note)	18,575,000.00	18,575,000.00	18,575,000.00	18,575,000.00	18,575,000.00	18,575,000.00	18,575,000.00
Secured Debt	30,427.53	0.00	0.00	0.00	0.00	0.00	0.00
Priority Debt							
Federal Income Tax							
FICA/Withholding							
Unsecured Debt	76,152.62	76,152.62	76,152.62	76,152.62	76,152.62	76,152.62	76,152.62
Other							
TOTAL PRE-PETITION LIABILITIES	18,681,580.15	18,651,152.62	18,651,152.62	18,651,152.62	18,651,152.62	18,651,152.62	18,651,152.62
TOTAL LIABILITIES	18,681,580.15	18,659,677.12	18,661,648.62	18,664,270.12	18,666,891.62	18,669,513.12	18,672,134.62
OWNER'S EQUITY (DEFICIT)							
PREFERRED STOCK							
COMMON STOCK							
ADDITIONAL PAID-IN CAPITAL		11,834.60	12,484.60	12,759.47	12,759.47	13,084.47	13,084.47
RETAINED EARNINGS: Filing Date	(17,182,159.15)	(17,163,241.22)	(17,163,241.22)	(17,163,241.22)	(17,163,241.22)	(17,163,241.22)	(17,163,241.22)
RETAINED EARNINGS: Post Filing Date		(8,849.50)	(11,471.00)	(14,092.50)	(16,714.00)	(19,660.50)	(22,282.00)
TOTAL OWNER'S EQUITY (NET WORTH)	(17,182,159.15)	(17,160,256.12)	(17,162,227.62)	(17,164,574.25)	(17,167,195.75)	(17,169,817.25)	(17,172,438.75)
TOTAL LIABILITIES & OWNERS EQUITY	\$1,499,421.00	\$1,499,421.00	\$1,499,421.00	\$1,499,695.87	\$1,499,695.87	\$1,499,695.87	\$1,499,695.87

MOR-3

* Per Schedules and Statement of Financial Affairs

Revised 11/08/05

CASE NAME: 905 Cesar Chavez, LLC

CASE NUMBER: 19-11528-TMD

SCHEDULE OF POST-PETITION LIABILITIES

	MONTH March 2020	MONTH April 2020	MONTH May 2020	MONTH June 2020	MONTH July 2020	MONTH August 2020	TOTAL
TRADE ACCOUNTS PAYABLE	40.00	10.00	10.00	10.00	10.00	10.00	90.00
TAX PAYABLE							
Federal Payroll Taxes							
State Payroll Taxes							
Ad Valorem Taxes	7,834.50	2,611.50	2,611.50	2,611.50	2,611.50	2,611.50	20,892.00
Other Taxes							
TOTAL TAXES PAYABLE	7,834.50	2,611.50	2,611.50	2,611.50	2,611.50	2,611.50	20,892.00
SECURED DEBT POST-PETITION							
ACCRUED INTEREST PAYABLE							
ACCRUED PROFESSIONAL FEES*	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OTHER ACCRUED LIABILITIES TO INSIDERS							
1.							
2.							
3.							
TOTAL POST-PETITION LIABILITIES (MOR-3)	\$7,874.50	\$2,621.50	\$2,621.50	\$2,621.50	\$2,621.50	\$2,621.50	\$20,982.00

*Payment requires Court Approval

MOR-4

Revised 11/08/05

CASE NAME: 905 Cesar Chavez, LLC

CASE NUMBER: 19-11528-TMD

AGING OF POST-PETITION LIABILITIES
MONTH: AUGUST 2020

DAYS	TOTAL	TRADE ACCOUNTS	FEDERAL TAXES	STATE TAXES	AD VALOREM, OTHER TAXES	OTHER
0-30	20,902.00	10.00			20,892.00	
31-60	10.00	10.00				
61-90	10.00	10.00				
91+	60.00	60.00				
TOTAL	\$20,982.00	\$90.00	\$0.00	\$0.00	\$20,892.00	\$0.00

AGING OF ACCOUNTS RECEIVABLE

MONTH	March 2020	April 2020	May 2020	June 2020	July 2020	August 2020
0-30 DAYS						
31-60 DAYS						
61-90 DAYS						
91+ DAYS						
TOTAL	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

MOR-5

Revised 11/08/05

CASE NAME: 905 Cesar Chavez, LLC

CASE NUMBER: 19-11528-TMD

STATEMENT OF INCOME/(LOSS)

	MONTH March 2020	MONTH April 2020	MONTH May 2020	MONTH June 2020	MONTH July 2020	MONTH August 2020	FILING TO DATE
REVENUES (MOR-1)							0.00
TOTAL COST OF REVENUES							0.00
GROSS PROFIT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OPERATING EXPENSES:							
Selling & Marketing							0.00
General & Administrative	10.00	10.00	10.00	10.00	10.00	10.00	90.00
Insiders Compensation							0.00
Professional Fees (1)							0.00
Other-US Trustee Fees	650.00				325.00		1,300.00
Other-Ad Valorem Taxes	2,611.50	2,611.50	2,611.50	2,611.50	2,611.50	2,611.50	20,892.00
TOTAL OPERATING EXPENSES	3,271.50	2,621.50	2,621.50	2,621.50	2,946.50	2,621.50	22,282.00
INCOME BEFORE INT, DEPR/TAX (MOR-1)	(3,271.50)	(2,621.50)	(2,621.50)	(2,621.50)	(2,946.50)	(2,621.50)	(22,282.00)
INTEREST EXPENSE							0.00
DEPRECIATION							0.00
OTHER (INCOME) EXPENSE*							0.00
OTHER ITEMS**							0.00
TOTAL INT, DEPR & OTHER ITEMS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NET INCOME BEFORE TAXES	(3,271.50)	(2,621.50)	(2,621.50)	(2,621.50)	(2,946.50)	(2,621.50)	(22,282.00)
FEDERAL INCOME TAXES							0.00
NET INCOME (LOSS) (MOR-1)	(\$3,271.50)	(\$2,621.50)	(\$2,621.50)	(\$2,621.50)	(\$2,946.50)	(\$2,621.50)	(\$22,282.00)

Accrual Accounting Required, Otherwise Footnote with Explanation.

* Footnote Mandatory.

** Unusual and/or infrequent item(s) outside the ordinary course of business requires footnote.

Note 1 - See Endnote titled "Professional Fees".

MOR-6

Revised 11/08/05

CASE NAME: 905 Cesar Chavez, LLC

CASE NUMBER: 19-11528-TMD

CASH RECEIPTS AND DISBURSEMENTS	MONTH March 2020	MONTH April 2020	MONTH May 2020	MONTH June 2020	MONTH July 2020	MONTH August 2020	FILING TO DATE
1. CASH-BEGINNING OF MONTH	\$0.00	\$0.00	\$0.00	\$274.87	\$274.87	\$274.87	\$0.00
RECEIPTS:							
2. CASH SALES							0.00
3. COLLECTION OF ACCOUNTS RECEIVABLE							0.00
4. LOANS & ADVANCES (attach list)							0.00
5. SALE OF ASSETS							0.00
6. OTHER (attach list) (see note)		650.00	274.87	0.00	325.00	0.00	32,002.40
TOTAL RECEIPTS**	0.00	650.00	274.87	0.00	325.00	0.00	32,002.40
(Withdrawal) Contribution by Individual Debtor MFR-2*							0.00
DISBURSEMENTS:							
7. NET PAYROLL							0.00
8. PAYROLL TAXES PAID							0.00
9. SALES, USE & OTHER TAXES PAID							0.00
10. SECURED/RENTAL/LEASES (see note)							30,427.53
11. UTILITIES & TELEPHONE							0.00
12. INSURANCE							0.00
13. INVENTORY PURCHASES							0.00
14. VEHICLE EXPENSES							0.00
15. TRAVEL & ENTERTAINMENT							0.00
16. REPAIRS, MAINTENANCE & SUPPLIES							0.00
17. ADMINISTRATIVE & SELLING							0.00
18. ADEQUATE PROTECTION PAYMENT(S)							0.00
19. OTHER (attach list)							0.00
TOTAL DISBURSEMENTS FROM OPERATIONS	0.00	0.00	0.00	0.00	0.00	0.00	30,427.53
19. PROFESSIONAL FEES							0.00
20. U.S. TRUSTEE FEES		650.00			325.00		1,300.00
21. OTHER REORGANIZATION EXPENSES							0.00
TOTAL DISBURSEMENTS**	0.00	650.00	0.00	0.00	325.00	0.00	31,727.53
22. NET CASH FLOW	0.00	0.00	274.87	0.00	0.00	0.00	274.87
23. CASH - END OF MONTH (MOR-2)	\$0.00	\$0.00	\$274.87	\$274.87	\$274.87	\$274.87	\$274.87

* Applies to Individual debtors only

**Numbers for the current month should balance (match)

MOR-7

Revised 11/08/05

CASE NAME: 905 Cesar Chavez, LLC

CASE NUMBER: 19-11528-TMD

SUPPLEMENTAL SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS	MONTH March 2020	MONTH April 2020	MONTH May 2020	MONTH June 2020	MONTH July 2020	MONTH August 2020	FILING TO DATE
OTHER RECEIPTS (MOR7):							
World Class Holding-Capital Contribution		650.00	274.87		325.00		13,084.47
Transfer from Tax & Insurance Escrow (see note)							18,917.93
							0.00
							0.00
							0.00
TOTAL OTHER RECEIPTS	0.00	650.00	274.87	0.00	325.00	0.00	32,002.40
OTHER DISBURSEMENTS (MOR 7):							
							0.00
TOTAL OTHER DISBURSEMENTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OTHER REORGANIZATION EXPENSES							0.00
Trustee Bond							0.00
							0.00
TOTAL DISBURSEMENTS**	0.00	0.00	0.00	0.00	0.00	0.00	0.00

SUPP MOR-7

Revised 11/08/05

CASE NAME: 905 Cesar Chavez, LLC

CASE NUMBER: 19-11528-TMD

CASH ACCOUNT RECONCILIATION
MONTH OF: August 2020

BANK NAME	Mechanics Bank				
ACCOUNT NUMBER	# 0366	#	#		
ACCOUNT TYPE	OPERATING	PAYROLL	TAX	OTHER FUNDS	TOTAL
BANK BALANCE	\$274.87				\$274.87
DEPOSITS IN TRANSIT					0.00
OUTSTANDING CHECKS					0.00
ADJUSTED BANK BALANCE	\$274.87	\$0.00	\$0.00	\$0.00	\$274.87
BEGINNING CASH - PER BOOKS	\$274.87				\$274.87
RECEIPTS*					0.00
TRANSFERS BETWEEN ACCOUNTS					0.00
(WITHDRAWAL) CONTRIBUTION BY INDIVIDUAL DEBTOR MFR-2					0.00
CHECKS/OTHER DISBURSEMENTS*					0.00
ENDING CASH - PER BOOKS	\$274.87	\$0.00	\$0.00	\$0.00	\$274.87

MOR-8

*Numbers should balance (match) TOTAL RECEIPTS and
TOTAL DISBURSEMENTS lines on MOR-7

Revised 11/08/05

CASE NAME: 905 Cesar Chavez, LLC

CASE NUMBER: 19-11528-TMD

PAYMENTS TO INSIDERS AND PROFESSIONALS

Of the total disbursements shown for the month, list the amount paid to insiders (as defined in Section 101(31)(A)-(F) of the U.S. Bankruptcy Code) and the professionals. Also, for insiders, identify the type of compensation paid (e.g., salary, commission, bonus, etc.) (Attach additional pages as necessary).

INSIDERS: NAME/COMP TYPE	MONTH March 2020	MONTH April 2020	MONTH May 2020	MONTH June 2020	MONTH July 2020	MONTH August 2020
1.						
2.						
3.						
4.						
5.						
6.						
TOTAL INSIDERS (MOR-1)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Accrued/Not Paid as of 08/31/20
\$0.00

PROFESSIONALS * (see note)	MONTH March 2020	MONTH April 2020	MONTH May 2020	MONTH June 2020	MONTH July 2020	MONTH August 2020
1. Waller Lansden Dortch & Davis LLP						
2. Lain Faulkner & Co., P.C.						
3.						
4.						
5.						
6.						
TOTAL PROFESSIONALS (MOR-1)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Accrued/Not Paid as of 08/31/20
0.00
0.00
0.00
0.00
0.00
0.00
\$0.00

MOR-9 * All professional fees are subject to court approval. See Endnote titled "Professional Fees".

Revised 11/08/05

CASE NAME: 905 Cesar Chavez, LLC

CASE NUMBER: 19-11528-TMD

Endnotes

- General** On November 4, 2019 (the "Petition Date"), 5th and Red River, LLC, Case No. 19-11529, 900 Cesar Chavez, LLC, Case No. 19-11527, 905 Cesar Chavez, LLC, Case No. 19-11528, and 7400 South Congress, LLC, Case No. 19-11530 (each a "Debtor," collectively, the "Debtors") filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code"). On November 13, 2019, the Bankruptcy Court entered an *Order Granting Motion for Joint Administration* directing the procedural consolidation and joint administration of the Debtors' chapter 11 cases [Docket No. 6].
- Secured Debt** It should be noted that the Debtors are jointly and severally liable and collectively owe one debt to its lender, U.S. Real Estate Credit Holdings III-A, LP, in the approximate amount of \$18.5MM. Each Debtor reflects the full amount of the referenced debt, but it is only one obligation. Nothing herein is intended or should be construed to concede that ATX Lender 5, LLC is the current holder of the secured debt.
- Professional Fees** Due to the joint administration of the Debtors cases, all professional fees have been reported on the Monthly Operating Report of 900 Cesar Chavez, LLC.
- Escrow Deposit** The lender was holding escrowed funds for the Debtors but had not allocated those funds amongst the Debtors. Therefore, prior to January 2020, the amount represented as "Other - Escrow - Insurance & Property Taxes" had been allocated pro-rata based on the percentage of total taxes due for this Debtor, to the total taxes due for all Debtors. In January 2020, the tax escrow held by the lender was paid to the taxing authority. As a result, the 2019 ad valorem taxes have been paid in full.
- Total Disbursements** Total disbursements on MOR-1 include amounts paid to the taxing authority for 2019 ad valorem taxes either from escrowed funds held by the secured lender or capital contributions by World Class Holding. The amounts paid directly to the taxing authority are not on the Bank Reconciliation (MOR-8).